



# RULE-MAKING ORDER

**CR-103 (June 2004)**  
**(Implements RCW 34.05.360)**

**Agency:** Department of Revenue

☒ **Permanent Rule**  
☐ **Emergency Rule**

**Effective date of rule:**

**Permanent Rules**

☒ 31 days after filing.

☐ Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Effective date of rule:**

**Emergency Rules**

☐ Immediately upon filing.

☐ Later (specify) \_\_\_\_\_

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

☐ Yes ☒ No If Yes, explain:

**Purpose:** Chapter 82.19 RCW imposes a litter tax on manufacturers, wholesalers, and retailers of certain products. WAC 458-20-243 (Rule 243) provides detailed information about litter tax, including the measure of the tax, the products to which the tax applies, and specific exemptions from the tax. Rule 243 has been revised to recognize statutory changes. These changes include requiring taxpayers to report litter tax on each excise tax return filed, instead of only the last tax return of the year. The rule now recognizes exemptions for food and beverages sold for consumption indoors on the seller's premises and certain sales made by caterers. Definitions for some items, such as soft drinks, have been updated to reflect Washington's adoption of Streamlined Sales and Use Tax Agreement definitions.

The revised Rule 243 also reflects a change to the tax reporting instructions for publishers of newspapers and magazines. This rule provides that the measure of the litter tax for these publishers is the gross proceeds from the sale of newspapers and magazines, which does not include advertising income. The rule previously provided that the measure of the litter tax was the same as specified for B&O tax purposes, which is the gross income from the publishing business including advertising income.

**Citation of existing rules affected by this order:**

Repealed:

Amended: **WAC 458-20-243 (Litter tax)**

Suspended:

**Statutory authority for adoption:** RCW 82.32.300 and 82.01.060(2)

**Other authority :** Chapter 82.19 RCW

**PERMANENT RULE ONLY (Including Expedited Rule Making)**

Adopted under notice filed as WSR **06-12-015** on **May 26, 2006**.

Describe any changes other than editing from proposed to adopted version: **n/a**

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **An analysis was not prepared.**

**EMERGENCY RULE ONLY**

Under RCW 34.05.350 the agency for good cause finds:

- ☐ That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- ☐ That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

**Date adopted:**

**NAME (TYPE OR PRINT)**

Janis P. Bianchi

**SIGNATURE**

**TITLE** Assistant Director,

Interpretations and Technical Advice Division

**Filed: August 23, 2006**

**Time: 11:19 a.m.**

**WSR: 06-17-187**

**The above information was input by DOR**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	<u>1</u>	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	_____	Amended	<u>1</u>	Repealed	_____
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	_____	Amended	<u>1</u>	Repealed	_____